

117TH CONGRESS  
2D SESSION

# H. R. 9042

To amend the Federal Power Act and the Tennessee Valley Authority Act of 1933 to reform the Tennessee Valley Authority's ratemaking authorities, and for other purposes.

---

## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 29, 2022

Mr. COHEN introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

---

# A BILL

To amend the Federal Power Act and the Tennessee Valley Authority Act of 1933 to reform the Tennessee Valley Authority's ratemaking authorities, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-  
2 tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “TVA Reform and Con-  
5 sumer Protection Act”.

6 **SEC. 2. TENNESSEE VALLEY AUTHORITY REFORMS.**

7       (a) FEDERAL POWER ACT AMENDMENTS.—

1                             (1) APPLICABILITY OF PART.—Section 201(f)  
2       of the Federal Power Act (16 U.S.C. 824(f)) is  
3       amended by inserting “(other than the Tennessee  
4       Valley Authority)” after “instrumentality”.

5                             (2) CERTAIN WHEELING AUTHORITY.—Section  
6       211 of the Federal Power Act (16 U.S.C. 824j) is  
7       amended by adding at the end the following:

8                             “(f) TRANSFER OF CONTROL OF TRANSMITTING FA-  
9       CILITIES.—Nothing in this section authorizes the Commis-  
10      sion to require the Tennessee Valley Authority to transfer  
11      control or operational control of its transmitting facilities  
12      to a Transmission Organization that is designated to pro-  
13      vide nondiscriminatory transmission access.”.

14                             (3) PROVISIONS REGARDING CERTAIN ORDERS  
15      REQUIRING INTERCONNECTION OR WHEELING.—Sec-  
16      tion 212(j) of the Federal Power Act (16 U.S.C.  
17      824k(j)) is repealed.

18                             (b) TENNESSEE VALLEY AUTHORITY ACT OF 1933  
19      AMENDMENTS.—

20                             (1) DUTIES OF THE BOARD OF DIRECTORS.—  
21       Section 2(g)(1)(L) of the Tennessee Valley Author-  
22       ity Act of 1933 (16 U.S.C. 831a(g)(1)(L)) is amend-  
23       ed by inserting “, subject to approval by the Federal  
24       Energy Regulatory Commission” before the semi-  
25       colon.

1                             (2) SALE OF SURPLUS POWER.—Section 10 of  
2                             the Tennessee Valley Authority Act of 1933 (16  
3                             U.S.C. 831i) is amended—

4                                 (A) by striking “for a term not exceeding  
5                                 twenty years”;

6                                 (B) by striking “all contracts made with  
7                                 private companies or individuals for the sale of  
8                                 power, which power is to be resold for a profit,  
9                                 shall contain a provision authorizing the Board  
10                                 to cancel said contract upon five years’ notice  
11                                 in writing, if the Board needs said power to  
12                                 supply the demands of States, counties, or mu-  
13                                 nicipalities. In order” and inserting “in order”;

14                                 (C) by striking “at reasonable rates and to  
15                                 make such rules and regulations governing such  
16                                 sale and distribution of such electric power as  
17                                 in its judgment may be just and equitable” and  
18                                 inserting “at just and reasonable rates, and to  
19                                 make rules and regulations governing such sale  
20                                 and distribution of such electric power that are  
21                                 just and reasonable, subject to approval by the  
22                                 Federal Energy Regulatory Commission”; and

23                                 (D) by striking “and in case the purchaser  
24                                 shall fail to comply with any such terms and  
25                                 conditions, or violate any such rules and regula-

1           tions, said contract may provide that it shall be  
2           voidable at the election of the Board” and in-  
3           serting “subject to approval by the Federal En-  
4           ergy Regulatory Commission”.

5           (3) RATES WHEN SOLD FOR RESALE AT PROF-  
6           IT.—Section 12 of the Tennessee Valley Authority  
7           Act of 1933 (16 U.S.C. 831k) is amended by strik-  
8           ing “as reasonable, just, and fair; and in case of any  
9           such sale, if an amount is charged the ultimate con-  
10          sumer which is in excess of the price so deemed to  
11          be just, reasonable, and fair by the Board, the con-  
12          tract for such sale between the Board and such dis-  
13          tributor of electricity shall be voidable at the election  
14          of the Board” and inserting “as just and reasonable,  
15          subject to approval by the Federal Energy Regu-  
16          latory Commission”.

17           (4) RESTRICTION ON CONTRACTS FOR SALE OR  
18           DELIVERY OF POWER.—Section 15d(a) of the Ten-  
19          nessee Valley Authority Act of 1933 (16 U.S.C.  
20          831n–4(a)) is amended—

21           (A) by striking “Unless otherwise specifi-  
22          cally authorized by Act of Congress the Cor-  
23          poration shall make no contracts for the sale or  
24          delivery of power which would have the effect of  
25          making the Corporation or its distributors, di-

1           rectly or indirectly, a source of power supply  
2           outside the area for which the Corporation or  
3           its distributors were the primary source of  
4           power supply on July 1, 1957, and such addi-  
5           tional area extending not more than five miles  
6           around the periphery of such area as may be  
7           necessary to care for the growth of the Cor-  
8           poration and its distributors within said area:  
9           *Provided, however,* That such additional area  
10          shall not in any event increase by more than  
11          2½ per centum (or two thousand square miles,  
12          whichever is the lesser) the area for which the  
13          Corporation and its distributors were the pri-  
14          mary source of power supply on July 1, 1957:  
15          *And provided further,* That no part of such ad-  
16          ditional area may be in a State not now served  
17          by the Corporation or its distributors or in a  
18          municipality receiving electric service from an-  
19          other source on or after July 1, 1957, and no  
20          more than five hundred square miles of such  
21          additional area may be in any one State now  
22          served by the Corporation or its distributors.”;

23           (B) by striking “Nothing in this subsection  
24          shall prevent the Corporation or its distributors  
25          from supplying electric power to any customer

1           within any area in which the Corporation or its  
2           distributors had generally established electric  
3           service on July 1, 1957, and to which electric  
4           service was not being supplied from any other  
5           source on the effective date of this Act.”; and

6           (C) by striking “Nothing in this subsection  
7           shall prevent the Corporation, when economi-  
8           cally feasible, from making exchange power ar-  
9           rangements with other power-generating organi-  
10          zations with which the Corporation had such  
11          arrangements on July 1, 1957” and inserting  
12          “Nothing in this Act shall prevent the Corpora-  
13          tion or its distributors from supplying electric  
14          power to any customer within any area, nor  
15          prevent the Corporation, when economically fea-  
16          sible, from making exchange power arrange-  
17          ments with other power-generating organiza-  
18          tions”.

○